

**EXHIBIT A**

Exhibit A

Retention Plan

Component	Plan Design
Administration	Plan to be administered by the Liquidator who retains the authority to interpret the Plan, to establish or revise the Plan rules and policies, and to make any determinations necessary to administer the Plan including individual award determinations, funding, and distributions/payouts.
Term	Annual plan, renewable at the discretion of the Liquidator.
Effective Date	January 1, 2004 - December 31, 2004
Eligibility	All employees not covered under the CIP or AIP who were employed full time as of January 1, 2004. All participants will be informed of their participation at the beginning of the plan year in writing. Participants must be employed full time in good standing on the date checks are issued to receive payments. Eligibility and/or participation in this plan is not intended as a commitment by The Home Insurance Company in Liquidation for continued employment for the duration of the plan year. Participation is not to be construed as a guarantee of employment or of any payments under the plan.
Payment Currency	All awards under this plan will be paid in cash via regular payroll, subject to all reporting and withholding.
General Design	The plan is designed to provide additional annual cash compensation to eligible participants to reward continued retention at The Home Insurance Company in Liquidation.
Payout Frequency	Three additional payroll checks will be issued to eligible participants annually; planned payouts for 2004 will be on or about June 1, September 1, and December 1.

Exhibit A

Retention Plan

<b>Component</b>	<b>Plan Design</b>
Payout Decision Rules	<p>If employment is terminated due to:</p> <p>Death - pro rata share of current cycle payout to be paid to employee's estate.</p> <p>Disability - pro rata share of current cycle payout to be paid to employee on date he/she enters disability; no payments during disability period</p> <p>Voluntary resignation - no payment to employees who resign between payouts; participants must be employed full time in good standing on the date checks are issued to receive payments.</p> <p>Involuntary termination "not for cause" or position elimination - pro rata share of current cycle payout to be paid to employee in final payroll check.</p> <p>Involuntary termination "for cause" - no payments to any employee terminated "for cause".</p>